# **Clustering Report Summary**

# 1. Customer Segmentation:

Customers were grouped into clusters based on their signup time and region. Three key segments were identified: new customers, loyal customers, and region-specific customers.

# 2. Product Clustering:

Products were divided into clusters based on their reviews and ratings. The clusters revealed high-performing products, moderately-rated ones, and poorly-rated products that need attention.

# 3. **Optimal Number of Clusters**:

The optimal number of clusters was determined using the Davies-Bouldin Index, ensuring clear and distinct groupings for both customers and products.

### 4. Visualizations:

PCA plots confirmed the effectiveness of clustering, showing well-separated customer and product groups, which makes the analysis actionable.

### 5. **Recommendations**:

Target new customers with welcome offers and loyal customers with retention strategies.

Promote high-rated products and focus on improving poorly-rated ones.

Run regional campaigns for areas with lower activity to boost sales.